



Signed: May 19, 2006

*Leslie Tchaikovsky*

LESLIE TCHAIKOVSKY  
U.S. Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA

In re  
LARRY FRAGA, etc.,  
Debtor.

No. 00-44500 TT  
Chapter 7

LARRY FRAGA,  
Plaintiff,  
vs.  
THE DUBOFF LAW GROUP, LLC,  
etc.,  
Defendant.

A.P. No. 06-4005 AT

**FINAL MEMORANDUM RE RULE 9011 SANCTIONS**

On April 14, 2006, the Court issued a Memorandum of Decision (the "Memorandum") granting the Defendant The DuBoff Law Group, LLC's (the "DuBoff Law Firm") motion for sanctions under Bankruptcy Rule 9011. The Court gave the DuBoff Law Firm 30 days to file a statement of attorneys' fees, Larry Fraga ("Fraga") and Kristine Kelly ("Kelly") (collectively the "Respondents") 14 days from the date of service of the statement to file an objection to the amount of the

1 fees requested, and the DuBoff Law Firm 7 days from the date of  
2 service of the objection to file a reply.<sup>1</sup> The parties complied with  
3 these deadlines. The Court has reviewed their filings.

4 In its statement, the DuBoff Law Firm requested an award of  
5 \$16,996 in fees and \$331.81 in costs. The Respondents objected to  
6 the fees as excessive. They advanced various arguments as to why  
7 they were excessive. In its reply, the DuBoff Law Firm responded to  
8 the Respondents' objection. It also noted that it had incurred an  
9 additional \$2,700 in fees since filing the statement. It requested  
10 that this amount be included in the award.

11 For the most part, the Court agrees with the DuBoff Law Firm  
12 that the objections to its fees made by the Respondents have no  
13 merit.<sup>2</sup> The Court agrees with the Respondents that the fees requested  
14 for "paralegal" services are excessive. Although true paralegal time  
15 can be included in a fee award, the Court does not agree with the  
16 DuBoff Law Firm that the work performed by the paralegals, as  
17 described in the billing statement, properly constitutes legitimate  
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19 <sup>1</sup>The Court stated in the Memorandum that it was considering  
20 imposing additional sanctions against Kelly. It gave Kelly 30 days  
21 from the date of service of the Memorandum to file a statement  
22 explaining her conduct. Kelly filed nothing clearly responsive to  
23 this direction. However, she may consider the objection filed to  
the fee statement responsive to it. If so, it was timely filed,  
and the Court has considered it in that respect as well as an  
objection to the attorney fee sanction award.

24 <sup>2</sup>However, the DuBoff Law Firm is incorrect that the Court made  
25 a blanket award of all of its fees. Even as a Rule 9011 sanction,  
26 only reasonable fees may appropriately be awarded. The purpose of  
requiring a fee statement to be filed and giving the respondent  
time to object is to permit the Court to determine the reasonable  
amount of fees.

1 paralegal work. For the most part, it appears clerical in nature.  
2 Consequently, the Court will not permit it to be included in the  
3 award. The Court also agrees with Respondents that the time spent by  
4 Leonard Duboff appears to have been unnecessary given the experience  
5 of the other attorneys on the case. In sum, the fees requested in  
6 the fee statement will be reduced to \$14,721. Costs will be allowed  
7 in full.

8 The additional fees incurred may also be included provided they  
9 all represent time spent by the principal attorney. Thus, the total  
10 award will be \$17,421 in fees and \$331.81 in costs. As stated in the  
11 Memorandum, this award will be jointly and severally imposed against  
12 Fraga and Kelly. The Court is satisfied that this award is  
13 sufficient to deter future misconduct. Counsel for the Duboff Law  
14 Firm is directed to submit a proposed form of order in accordance  
15 with this decision.

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COURT SERVICE LIST

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